



Department of Justice

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Eastern District of California

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LAWN CARE BUSINESS OWNER SENTENCED FOR SOCIAL SECURITY FRAUD

Sacramento, Calif.—Acting United States Attorney Lawrence G. Brown announced today that yesterday United States District Judge Lawrence K. Karlton sentenced KEVIN EUGENE RHEA, 47, of Sacramento, to 12 months and one day in prison, three years of supervised release, and restitution of \$177,477.90 for theft of government property and making a false statement for use in determining Social Security benefits. RHEA pleaded guilty on October 15, 2008.

This case is the product of an extensive investigation by the Office of Inspector General, Social Security Administration.

According to Assistant United States Attorney Kyle Reardon, who prosecuted the case, beginning in 1996, RHEA applied for and received Title II disability benefits because of a back injury suffered in 1994. In 2007, the Social Security Administration (SSA) mailed a form SSA-820, "Work Activity Report, Self-employed Person," that the SSA uses to determine a person's continued eligibility for benefits. On February 8, 2007, RHEA returned this form and replied "no" or "N/A" to every question that asked about work or income earned from work. He signed the form under penalty of perjury.

In the letter sent with the form, RHEA was also asked to provide his tax returns from 1996 through 2007. On the bottom of the SSA-820 cover letter, he wrote, "no tax returns had no taxable income from 1996 to present."

In actuality, these statements about RHEA's work and income and his taxable income were false. Since 1997, he had owned and operated a lawn care business called K&S Gardening Service, charging on average \$40 to \$60 per customer per month and paid several employees who worked for him.

As a result of his theft, between September 1, 1997 and January 31, 2008, RHEA received approximately \$177,000 in disability insurance benefits from the Social Security Administration to which he was not entitled.

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